Profits of banks

†3377. SHRI RAM JETHMALANI:
SHRI SHIVANAND TIWARI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that most of the Indian banks earned profits during financial year 2008-09;

(b) if so, the share of income from interest on loan and income from the profit of investments made in share market in the above mentioned profit; and

(c) the amount of capital invested by banks in these two sectors during this period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Yes, Sir. All Indian banks, except the Development Credit Bank Ltd., have reported profit for the year 2008-09.

(b) The existing Management Information System of Reserve Bank of India does not generate data in the desired manner. However, in 2008-09, the Indian banks reported a total interest income (on loans/advances and all kinds of investments) of Rs. 3,44,508 crore. Out of this, the interest income on loans and advances alone was Rs. 2,51,382 crore which accounted for 73% of the total interest income.

(c) As at end March, 2009, the outstanding gross advances of the Indian banks stood at Rs. 26,23,419 crore and their investment to capital market was Rs. 24,566 crore.

Forecast of World Bank for India's economy

3378. SHRI RAJEEV SHUKLA: Will the Minister of FINANCE be pleased to state:

(a) whether World Bank has forecast India's economy to expand by 5.1 per cent during this fiscal which is lowest in six years, although, the country has consistently outperformed multilateral funder's estimates in the past;

(b) if so, whether it has pointed out that Indian economy has grown by 6.7 per cent in 2008-09 against World Bank's estimate of 6.1 per cent despite recession in most of the developed nations;

(c) whether according to World Bank, the Prime Minister has also acknowledged that there is indeed a slow down in foreign investment; and

(d) if so, what steps Government is considering to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) As per the World Bank's Global Development Finance Report, June 2009, the forecast of real GDP growth for India, measured at 2000 purchasing power parity weights, is 5.1 per cent for the fiscal 2009-10 and is estimated at 6.1 per cent for fiscal 2008-09. As per the revised estimates of the Central Statistical Organisation, the growth in real Gross Domestic Product (GDP) in 2008-09 is estimated at 6.7 per cent.

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†Original notice of the question was received in Hindi.

(c) and (d) Net foreign investment in 2008-09 as per preliminary estimates, stood at US $ 3462 million as compared to US $ 15528 million in 2005-06, as on 24th July, 2009. Government of India has taken policy initiatives like enhancing the limit for Foreign Institutional Investment (FII) in government securities and for corporate debt to address the slowdown in foreign investment.

Safeguarding interest of depositors

†3379. SHRI KRISHAN LAL BALMIKI:
SHRI SANJAY RAUT:

Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government proposes to bring in any special law for safeguarding the interests of depositors in financial institutions;

(b) whether it is a fact that 14 State Governments have enacted special laws for safeguarding the interests of depositors in financial institutions, after getting them duly approved from the Central Government; and

(c) if so, what are the reasons that the Central Government is not giving approval to a Bill from Rajasthan having similar provisions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) No such proposal is under consideration of the Government. The existing law *i.e.* Reserve Bank of India Act, 1934 provides adequate protection to small depositors in financial institutions. The Reserve Bank of India (RBI) has been pursuing with the State Governments and Union Territories to enact a law to safeguard the interest of the depositors in financial establishments. So far, the State Government of Andhra Pradesh, Assam, Bihar, Goa, Gujarat, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Mizoram, New Delhi, Tamil Nadu, Tripura and Uttarakhand have enacted certain legislations for protection of interest of depositors.

(c) Ministry of Home Affairs has indicated to the Government of Rajasthan that it would be appropriate if the Rajasthan Protection of Interests of Depositors (in Financial Establishment) Bill, 2005 is examined alongwith the judgement of the Supreme Court in the SLP filed by the Government of Maharashtra on the order of the Maharashtra High Court holding the Maharashtra Protection of Interest of Depositors (in Financial Establishment) Act, 1999 ultra vires of the Constitution of India.

Customs and Central Excise office in Goa

3380. SHRI SHANTARAM LAXMAN NAIK: Will the Minister of FINANCE be pleased to state:

(a) whether there is an office of Customs and Central Excise in Goa;

(b) if so, the nature of the office;

(c) the number of officers and other employees working therein;

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†Original notice of the question was received in Hindi.